

ORIGINAL



CEDAR GROVE WATER, INC.

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December 13, 2006

Arizona Corporation Commission
Docket Control Center/ Compliance Section
1200 W. Washington St.
Phoenix, AZ 85007

Arizona Corporation Commission

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RE: Docket No. W-02597A-04-0456

Decision No. 68304

Dear Sir or Madam:

This letter is sent as an addendum to the letter dated November 30, 2006 and per request of Blessing Chukwu. Blessing has asked that Cedar Grove Water, Inc. update the Commission as to the status of receiving Approval to Construct in order to comply with the aforementioned Docket and/or Decision number.

During recent correspondence with Marc Fleetwood, the Engineer hired to obtain any Approval necessary from ADEQ, Cedar Grove Water, Inc. received the document marked as Attachment A. The letter was originally sent on August 5, 2004 to the Arizona Corporation Commission, Attn: Jim Fisher.

If you have any questions, please feel free to contact me by any means mentioned in the header of this letter. Thank you.

Sincerely,

Thomas Grapp

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ATTACHMENT A



FLEETWOOD ENGINEERING, LLC
PO Box 1158 Lakeside, AZ 85929-1158
928-368-8759

August 5, 2004

Arizona Corporation Commission
Attn: Jim Fisher
1200 W. Washington Street
Phoenix, AZ 85007-2927

RE: Cedar Grove Water Company Docket No. W-02597-04-0456

Mr. Fisher,

Cedar Grove Water Company has requested that I provide answers to the requirements from your July 15th, 2004 letter.

The information you requested is as follows:

1. Copies of the requests for service by the affected property owners.
2. A copy of the engineering design report for the proposed water system.
3. The estimated engineering costs of the plant associated with the application.
4. A map of the approved subdivision.

Let me begin with a description of what the Cedar Grove Water Company is trying to accomplish by expanding their service area. The water company has acquired a well and wants to develop that well into a domestic source for its existing water system. To do this, the water company needs to construct a watermain from the well to its existing water system approximately 2,700 feet away. The water company would like to expand its service area to include the properties near the well and along the watermain route. Currently, in this area there is only one occupied home and it is being served by the aforementioned well.

The expanded service area is rural with individuals owning large parcels of land that are currently undeveloped. As stated in the Application for Extension of CC&N, after five years it is estimated that 12 services will be established in the new service area.

Information Requested:

1. At this time, it will only be possible to serve a few homes along the route of the new watermain. These homes may already have individual wells and may not want service from the water company.
2. A design report is attached for your review.
3. A cost estimate is attached for your review.
4. There is not a subdivision for this area. As described previously, this area is owned by individuals that have large parcels of land. If any of the landowners decides to subdivide their land they will have to go through Apache County Planning and Zoning and ADEQ's Subdivision Approval Process.

If you have any questions, please call me at the above number.

Thank you,

Marc Fleetwood 6/15/05
Marc Fleetwood, PE

Same letter as sent previously.

Cedar Grove Water Company Design Report to Add Well to Water System

The existing well that the water company proposes adding to its water system is a 6-inch casing drilled to approximately 380 feet deep. The 5Hp pump is set at 340 feet deep. It is planned to move an existing 15,000 gallon tank, owned by the water company, next to the well and have the well pump be controlled by floats located in the tank. A small pumphouse is proposed to for booster pumps to pressurize the system from the water tank. The 2,700 feet of 6-inch SDR 21 Class 200 PVC pipe will run from the pumphouse to the water company's existing system.

The water company currently has three wells with combined pumping capacity of 99 gpm. This new well will provide an additional 30 gpm, bringing the total to 129 gpm. The total storage currently for the water system is 322,500 gallons in four tanks.

Total pumping capacity per day is 139,320 gallons per day. This amount is based on pumps running 18 hours per day. Use of 18 hours per day is conservative to allow for filling of storage tanks and times when the pump is off during low water demand.

Total number of connections can be estimated by dividing the daily pumping capacity by the average usage per connection. Historical data from the peak month for 2003 shows 411 gallons per day per connection. The estimated total number of connections is 338. The system has about 230 connections and with the additional well could add about 100 more connections.

COST ESTIMATE TO SERVE NEW AREA AND CONNECT TO EXISTING SYSTEM

Item	Unit	Unit Price	Qty	Total Price
1. Watermain, 6" PVC	LF	\$8	3,000	\$24,000
2. Pumphouse	LS	\$5,000	1	\$ 5,000
3. Pumps and Controls	LS	\$5,000	1	\$ 5,000
4. Storage Tank	LS	\$2,000	1	<u>\$ 5,000</u>
Total				\$39,000

The associated costs are low, because the water company does all its installation with its own equipment and labor. The storage tank is already owned by the water company and will be moved to the site.

This project is beneath Arizona Department of Environmental Quality's (ADEQ) threshold of \$50,000 for water projects not serving a subdivision, so it does not require an Approval to Construct Water Facilities. Although, this project when complete will need an As-Built and Engineer's Certificate of Completion sent to ADEQ.